

DRIVERS OF MASTERY

A quantitative study of the relationship between servant leadership and mastery climate.

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Abstract

While changes in the nature of work provide a plethora of new opportunities, it has also caused wide-ranging problems in employee wellbeing and performance. This phenomenon has resulted in new demands for workgroup leaders. The fundamental skills for emerging leaders are the ability to promote intrinsic motivation, cooperation and an attitude in their followers that embraces change. Mastery climate is a motivational climate type that typifies all of these three qualities. Despite the benefits associated with the mastery climate, little is known of the specific factors that contribute to the development of said climate.

The purpose of this thesis is to study the relationship between servant leadership and mastery climate and the research question was fashioned as follows: is the extent to which a workgroup leader exhibits servant leadership behavior positively associated with mastery climate? The hypothesis was built on the idea that different leadership behaviors result in different climates (Lewin, Lippit & White, 1939) and that the climate generated is likely to resemble the particular behavior of the leaders. (Schneider, 1990) The research question was investigated through quantitative methods. A questionnaire was compiled based on previously validated constructs and sent through Webropol-survey to 123 middle managers and 937 subordinates working in a Finnish company operating in retail and service industry. The hypothesis was tested by using the general linear regression model.

The results indicated that servant leadership is positively associated with mastery climate with a high level of significance. The implications of the thesis are both theoretical and practical. The study brings new theoretical insight in providing information of a particular leadership behavior that is positively associated with mastery climate. The practical implications of the study are relevant to organizations, HR leaders and work group leaders interested in generating a mastery climate. This thesis suggests, that servant leadership is a significant driver of mastery climate, while leaving it for the future research to study the mechanism that explains these findings.

Keywords: servant leadership, mastery climate, leader behaviour, motivational climate,

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Työn luonteen muutos on tuonut mukanaan lukuisia uusia mahdollisuuksia, mutta samalla se on ollut syynä useisiin työhyvinvoinnin ongelmiin ja alentuneeseen suorituskyykyyn. Työn luonteen muutos on tuonut esimiestyöskentelyyn uusia haasteita. Nykypäivän johtajien olennaisiin taitoihin kuuluu kyky ruokkia sisäistä motivaatiota, vahvistaa yhteistyötä, ja myötävaikuttaa työntekijöiden positiiviseen asennoitumiseen muutosta kohtaan. ”Taituruuden ilmapiiri” (engl. mastery climate) on motivaatioilmasto, joka vahvasti assosioituu edellä mainittujen piirteiden kanssa. Huolimatta monista taituruuden ilmapiirin todetuista hyödyistä, ymmärrys siitä, mitkä tekijät myötävaikuttavat kyseisen motivaatio ilmaston syntyyn, on puutteellinen.

Tämän tutkielman tarkoitus oli selvittää palvelevan johtajuuden ja taituruuden ilmapiirin välisen suhteen luonnetta. Tutkimuskysymykseksi muodostui, ”onko palveleva johtajuus positiivisessa yhteydessä taituruuden ilmapiirin muodostumiseen?”. Tutkimuskysymys perustui aiempiin tutkimuksiin, joissa johtamiskäyttäytymisen on todettu vaikuttavan ryhmän ilmapiirin muodostumiseen (Schneider, 1990), ja määrittävän sen jäsenten käyttäytymistä (Lewin, Lipitt & White, 1939). Tutkimus toteutettiin osana kolmen suomalaisen huippuyliopiston yhteistä hanketta, ja sieltä kerätty data analysoitiin kvantitatiivisia menetelmiä käyttäen. Aiemmissa tutkimuksissa validoiduista konstruktioista muodostettuun kyselyyn vastasi yhden suurimman suomalaisen yrityksen 123 esimiestä ja 937 työntekijää. Hypoteesi testattiin lineaarisen regression mallilla.

Tutkimustulokset osoittivat tilastollisesti merkitsevän positiivisen yhteyden palvelevan johtajuuden ja taituruuden ilmapiiriin välillä. Tulosten perusteella voidaan tehdä sekä teoreettisia, että käytäntöä koskevia johtopäätöksiä. Teoreettisesta näkökulmasta tutkimus esittää, että tietty johtamiskäyttäytyminen, palveleva johtaminen, vaikuttaa positiivisesti taituruuden ilmapiiriin työryhmässä. Käytännön seuraamukset puolestaan ovat relevantteja organisaatioille, henkilöstöammattilaisille, ja esimiehille, jotka ovat kiinnostuneita taituruuden ilmapiirin saavuttamisesta. Tämän opinnäytetyö pohjimmainen löydös on se, että palvelevalla johtajuudella on merkittävä yhteys taituruuden ilmapiiriin. Jatkotutkimuksen kohteeksi ehdotetaan todetun yhteyden mekanismin selvittämistä.

Avainsanat: palveleva johtaminen, taituruuden ilmapiiri, johtamiskäyttäytyminen, motivaatioilmasto,

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1. Introduction

1.1. Background and motivation

While the change in the nature of work has provided a plethora of new opportunities, it has not come without a price tag. Change in the nature of work demands quick adaptation and learning, that in turn produces stress and anxiety. (Vainio, 2018) The negative effects of stress and anxiety starts from the ill-being of people, and triggers down to lower productivity and poorer performance of the organizations. The urgency of the matter is highlighted by current studies that show job-related exhaustion to be a growing phenomenon under the 30-years-olds in Finland (Vainio, 2018). In the EU (Kauhanen, 2016), annual costs occurring from burnouts are estimated at 270 billion euros.

The change in the nature of work demands new practices and qualities from leaders. According to the Economist Intelligence unit the three most important qualities for emerging leadership are the ability to motivate, the ability to work across cultures, and the ability to facilitate change (Driving a data-centric culture, 2014). Thus, leaders are not so much required to manage results as they are to generate an environment and climate that empowers people to create results. In other words, leaders are expected to foster such an organizational climate that promotes intrinsic motivation, cooperation and an attitude that embraces change.

Mastery climate is a motivational climate type that typifies all of these three qualities. Firstly, it is characterized by the group of individuals who possess an internal drive to develop oneself to maximum capacity and to possess the mastery of a task. (Elliot & Dweck, 1988) Mastery climate promotes a goal orientation in which the focus is not to compete with others but become as good as one can become. (Ames, 1992) Secondly, individuals with this kind of goal orientation value cooperation and other desirable intra-team behavior such as knowledge sharing and supportive interaction. These behaviors are perceived valuable and necessary means to the end goal. (Cerne et al., 2014) Lastly, the mastery climate creates an environment that facilitates change, because change is a prerequisite for personal development. Change is not perceived as a threat, but an opportunity to learn new and improve oneself (Valentini & Rudisill, 2006).

The relevancy of the mastery climate is thus a twofold matter. Firstly, it is a timely matter, because it provides a framework for managers to tackle the challenges that the change in the nature of work and work environment create. The more individuals are able to adapt and even exploit change, the more likely it is for the organization to stand out from its competitors. Secondly, mastery climate is relevant because it produces. Due to the behavioral pattern that mastery climate fosters, it is associated with high overall performance and higher well-being of individuals (Cerne et. al., 2014). Long-term success and high performance to great degree stem from the outflow of an individual well-being that consists of right kind of motivation (Deci & Ryan, 2010). Mastery climate is characterized by an attitude of individuals that are not afraid of new challenges but perceive them more as growth opportunities.

The majority of the previous studies (Ames, 1992; Cerne et. al., 2014; Valentini & Rudisill, 2006) have focused on investigating the benefits that mastery climate is associated with. This study is driven by the motivation to approach the mastery climate from the leader behavior perspective. There is not just a gap in the knowledge of what leaders can do to promote mastery climate, but the urgency of the matter makes the practical suggestions for the leaders highly relevant. Thus, the primary interest of this study is to examine whether a specific leader behaviour, a servant leadership, has influence on mastery climate.

1.2. Objective of the study and the research question

The interest of this Master's Thesis is to examine the drives of mastery climate. The impetus for the study rises from the lack of empirical knowledge on what specific factors influence on the mastery climate. The majority of studies related to the mastery climate has focused and successfully pointed out the benefits associated with it.

Given, that there can be many factors that influence on the mastery climate, the main question is approached from the leader behavior perspective. A servant leadership is the leader behavior in which this study is focused on. The reason for choosing the servant leadership is twofold. Firstly, it is people related matter that organizations have influence over. In other words, a leader behaviour can be modified and changed. Secondly, there has been an enormous shift in what is perceived by an ideal leader. Leaders are currently looked

as inspirers who by their own example create culture that guide actions of individuals. (Driving a data-centric culture, 2014) Servant leadership is a leader behaviour that embody many of the current ideals and thus has attracted a lot interest. The objective of this paper is to answer to the following more specific sub-question:

Is the extent to which a workgroup leader exhibits servant leadership behavior positively associated with mastery climate?

While the study was built on this question, it was not known beforehand whether there was any relationship between the variables. These constructs were included in the comprehensive research project that I was involved in, and thus used in the formation of this thesis.

1.3. Contribution

The main contribution of thesis is twofold as it provides suggests certain leader behaviour and people management practices that influence on mastery climate. Firstly, the thesis contributes to the academic understanding of factors influencing mastery climate, especially to the people management studies. As already mentioned, there majority of the studies on the subject has focused on examining the benefits of such motivational climate. While, some factors such as performance evaluation methods, have been shown to influence mastery climate, this study has the advantage of pointing out whether a specific leadership style influences on mastery climate or not. As a result, this thesis contributes to the knowledge of how leader behaviour is related to the mastery climate.

Secondly, study provides concrete alternatives for practitioners to influence mastery climate characteristics in their motivational atmosphere. The thesis accomplishes this by suggesting certain leader behaviour (servant leadership) as a factor that positively influence mastery climate.

1.4. Structure of the study

The first section of thesis covers the literature on the topic. The literature was approached from three different angles. Firstly, the literature addresses the topic of organizational climate in general. The topic is discussed from its genesis to the present moment to form the sufficient foundation on which the following parts of thesis are built on. The second perspective of the literature focuses on the explaining the motivational climate and the goal orientation theory. Thus, the climate concept is treated as a particular referent on something, rather than using the concept in global sense. This helps us to avoid the over generalization of the concept of climate, and to form well-grounded foundation of the motivational climate. The last phase of the literature focuses on covering the two main types of motivational climates, mastery and performance climate. Moreover, the different motivational climates are defined, and discussed respectively. The section also elaborates on the motivational patterns and behaviors that these climates foster.

The second section of the thesis lays out the hypothesizes of the study. While this section presents the hypothesis of the study, its purpose is also is to give insight to the literature

behind the dependent variables and present the argumentation that led the author to choose these variables to be studied.

The third section elaborates on the data and the methods of the study. This section explains the chosen the sample and specifies how the data was gathered. It also explains the control variables of the general linear regression, and the process how the research data was analyzed. While the structure of thesis presents also the chronological order of the research process, this section is somewhat exception to the rule, because the research work was ongoing process throughout the thesis work.

Analysis and results form the fourth section of the study. The aim of this section is to provide the tables with their numerical values that reveal the significance and the quality of the relationships between the variables under study. The numerical values of both independent variables are presented and other relevant information regarding the study.

Lastly, the thesis ends with the discussion on the results of the study and their theoretical and practical implications, while also covering the limitations of the study and suggestion for further research. This section also provides an additional notion of the somewhat unexpected effects of independent variables on performance climate. While this was not the center of study, the availability of the data enabled an extra analysis.

2. Organizational Climate

The objective of this chapter is to address the relevant background theories and discuss the previous research related to the subject. Firstly, the literature on the subject is discussed in chronological in order to convey the progress the concept has undergone since its dawn. Secondly, the chapter will provide the working definition of climate that forms the basis for conducting the study. Thirdly, some of the controversies related to the subject are given attention in order to avoid too simplistic approach on the matter. Fourthly, the chapter narrows the climate concept from the general level to address two types of motivational climates, performance and mastery climate, of which the latter is the main interest of this thesis. Lastly, the chapter ends with the theoretical framing of the paper, laying the foundation for the next phase of the study.

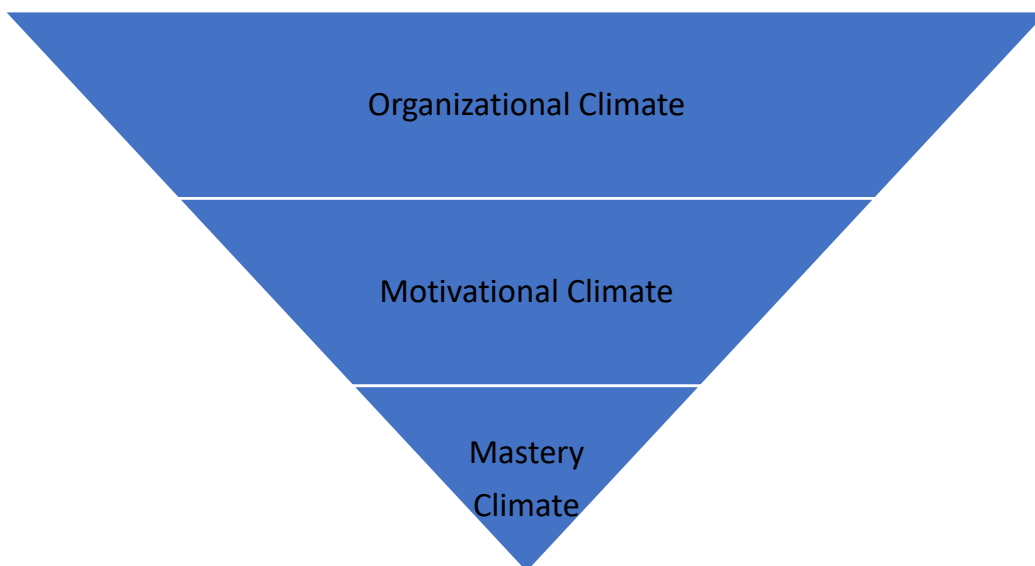


Figure 1: The literature on the subject was approached starting from the organizational climate and further narrowed to motivational climate and more specifically on mastery climate.

2.1. Genesis and the development of the concept

The concept of organizational climate (sometimes referred to as psychological atmosphere) has variety of definitions. This is largely due to difficulties of defining climate in clear-cut manner and different points of view that the phenomena is being observed. Despite the number of definitions, there is a common thread to be found that form core basis for understanding the concept. The purpose of this section is to provide overview on the subject

and identify the key elements of the organizational climate identified in the academic literature since the dawn of the concept to the present.

2.1.1. Something that influences behaviour

The concept had its genesis in 1939, when psychologists Lewin, Lippit and White were studying the behaviour of boys in a group setting. Before organizing the boys into different groups, they trained leaders to adopt and behave either in laissez-faire, democratic or authoritarian style. Then these boys were assigned under three different types of leadership. (Ashkanasy et al., 2000) During the period of observation, the psychologists observed the behaviour, involvement and emotional experience of the boys toward their respective groups. It might not surprise us that under the democratic leadership style the boys liked their group the most and it was most associated with positive behaviour such cooperation and higher level of participation. The essential notion of the study was that the leadership style carried a great significance in the development of the climate. Lewin, Lippit and White concluded that the behaviour of individuals between the groups were different, and that their behaviour of individuals was influenced by something in the environment. Initially, they did not provide specific definition for what this “something” was, but simply refer to it as a “social climate”. Despite that the concept lacked clear definition, from the get-go two important features of climate were identified. Firstly, that different leadership styles resulted in different social climates, and secondly, that climate significantly influenced the behaviour of individuals in a group. (Drenth et al., 1998, Schneider, 1990, Grojean, et. al., 2004)

After the concept was introduced in the field of social psychology, it slowly started to spread on the field of organizational studies. Although the concept was used by some researchers such as Fleishman (1953), who suggested the leadership climate as a potential explanation for the organization’s failure to transfer a training program to the field, or Argyris (1958) who used the concept of climate while studying groups dynamics in a bank, they did not define the concept in a clear manner. It seemed that the idea itself seemed somewhat self-explanatory, while yet facing the difficulty to understand the concept in greater detail. Based on the original study of Lewin, Lippit and White, McGregor (1960) emphasized the role of managers in the development of the climate. According to him the climate was largely determined by what the managers do, how they do it, and also dependent on the level of managerial competence and ability to influence upward in the organization. (Schneider,

1990) Thus, far one there was evidence presented for the existence of the climate and the link between the leadership style and climate, but it still remained obscure to what it exactly the reference was made to.

2.1.2. In search for origin

It took few decades that organization climate was starting to find more solid conceptualization. During the 1960s the concept was under great interest and the research took various formats. (Ehrhart & Kuenzi, 2015) Litwin and Stringer (1968) developed a measure for climate in the business context and conducted a simulation study on which they observed the relationship of three different leadership styles on the development of organizational climate. They confirmed the initial results regarding the climate identified by Lewin, Lipping and White (1939), introduced the six dimensions of climate (such as structure, support) and suggested that these climate dimensions could be evaluated based on the perceptions of organization members. Nevertheless, these suggestions led to more questions surrounding the subject, and different explanations were offered regarding the origin and dimensions of the climate. Was climate a product of individual mind, or was it established in the external structure of the organizations such as level of hierarchy and autonomy? (James & Jones, 1974)

In 1970s these questions seemed to grow stronger and some of the earlier methods were questioned even further. While Litwing and Stringer (1968) with some others had suggested that the perception of climate could be identified based on the individual members of the organization, extensive Aston studies were conducted in England which assumed that the external elements of an organization (hierarchy, structure, etc.) resulted in the development of the climate. (Ashkanasy, 2000) Neither of the studies succeeded to present evidence in sole favouring one over another. Consequently, the dimensions and the origin of climate remained somewhat obscure.

2.1.3. Dealing with the issue of level of analysis and data aggregation

In addition, there were other issues concerning the concept. First one had to with the problem of using individual level of analysis as a source of studying phenomenon that concerned the organization as a whole. For some this presented illogical approach. The first objection was addressed by Hellriegel and Slocum (1974) who reasoned that when climate is

conceptualized to address organizational level it will yield results reflecting organization climate, and when the conceptualization of climate concerns an individual, the results reflect individual's psychological atmosphere. Secondly, Guion (1973) and Johannessson (1973) questioned the whole climate measure simply as a replication of job satisfaction construct, and seemed that there was not enough evidence for the existence of the concept as a separate entity. This criticism was quickly answered by the papers of LaFollette and Sims (1975) among others, who proved that the correlation between satisfaction and climate data was far from being established. In fact, Newman (1977) study on the subject provided the evidence of how respondents were able to make a clear distinction between the description, and the evaluation of their work environment, thus responding to the criticism of the similarities of the matters.

The final and perhaps the most serious issue had to do with the validity and appropriateness of data aggregation procedure from individual level to group level. As criticism often does, it forced the researchers on the subject to clarify the procedure used in the data aggregation with more precision and develop procedure that would address these concerns. James, Demare and Wolf (1984) ultimately solved the problem of data aggregation procedure from individual to group level. Their paper focus on estimating within-group interrater reliability and provided a procedure that to great extent addressed the criticism that the previous methods had received on their part. (James et. al., 1993)

2.1.4. The crucial nature of the concept

From the 1970s onwards the topic has been an object of discussion and addressed from variety of perspectives. As a result, the concept has been challenged, further developed and studied in relation to other subjects. (Woodman & King, 1978) While the challenges related to the concept, and the emergence of the concept of organization culture stole some of the momentum of the climate studies in 1980s, (Ehrhart & Kuenzi, 2015, Scheider et. al., 2013) the topic has remained as an important concept in the study of organizations and human behaviour. The fundamental findings regarding the climate has been confirmed, while new and more nuanced understanding on the climate has added weight on the relevancy of the subject especially in the field of organization behaviour and people management which aims to influence people to work together in an effective manner to generate most value for an

organization. (Mäkelä, 2016) While there are several factors that are to be taken into account in this process, the organizational climate plays a crucial role in achieving this objective.

Moreover, studies conducted in 1980s and '90s have shown the relationship between climate and individual performance (Moran, 1992), climate and motivation, climate and positive attitudes (Denison, 1996) and climate's relation to job satisfaction and the level of participation. (Brown & Leigh, 1996) The crucial role of climate in the people people management matters, stems from the fact that the organizational climate acts as a source of pressure that directs activity. (Pritchard, Karasick, 1973) This in mind, the logical question next to be answered is what is climate?

2.2. Definition of organizational climate

The previous section provided a brief overview of the history and evolvement of the organizational climate. In this section the aim is to provide a definition of the concept, and also to discuss on the dimensions related to the climate. The number of definitions largely stem from two major reasons. Firstly, as the research an understanding of the climate has progressed, so has the definitions of the concept experienced changes as well. This is by no means something unfamiliar, but concerns all the concepts under research. Secondly, the definitions vary depending of the point of view one observes the phenomena. Again, this holds true regarding all the other concepts as well. This is not say that there would exist disagreements or somewhat opposite claims on what the organizational climate refer to, but it does suggest that not all the seemingly different definition are so wide apart as they may seem. There are simple and more complex, definitions, but they all share some common features. To make this point across, definitions from each decade from 1960s to 2000 are provided in the following. Lastly, a definition of organizational climate is presented at the end of this section that serves as a working definition in this paper.

As mentioned already, it was Lewin, Lippit and White, (1939) who laid the foundation for the concept of climate. Although, they did not provide clear definition for what they refer to as “social climate”, they did characterize it as something that influences the behaviour of individuals in a group. Forehand and Gilmer (1964) few decades later added something on the previous definition by stating that climate refers to *“the set of characteristics that describe an organization and that (a) distinguish the organization from other organizations, (b) are relatively enduring over time, and (c) influence the behaviour of people in the organization.* (p.362) The somewhat vague definition of Foreman and Gilmer well reflects the early phases of the climate studies during which level of understanding was relatively low. (Woodman & King, 1978)

In the 1970s the concept had already been an object of more research and this is well capture in the more sophisticated definition provided by Pritchard and Karasick (1973) who defined climate *“as a relatively enduring quality or an organization’s internal environment distinguishing it from other organizations; (a) which results from the behaviour and policies of members of the organization, especially top management; (b) which is perceived by members of the organization; (c) which serves as a basis for interpreting the situation; and*

(d) acts as a source of pressure for directing activity.” (p.126) This definition addressed the essential elements of climate agreed upon even in today’s literature and places not the origin of climate in either individual or external structure, but on the combination of these elements as individuals try to make sense of their environment. Pritchard and Karasick (1973) summed up these features of climate quite well in stating that organizational climate is “*the psychological atmosphere of an organization*” (p. 126)

Pritchard and Karasick in their definition suggested that the origin of climate does not lay either in the individual, or in the external structures, but evolves in conditions where both of these aspects are present. There has been some who have had different take on the matter, but the idea of climate origin reflected by Pritchard and Karasick (1973) definition, has gained majority of acceptance over the years. This development can be seen on the climate definition such as Rousseu (1988), who defined climate as “*an individual description of the social setting or context of which a person is part*” (p.140) While, being lot simpler definition, yet it implies the influence of both the individual perception and environmental factors.

Along with the development organizational behaviour and individual sense-making of their environment, the definition has experienced another important development, and this has to do with the role of socialization in the climate development. The organizational climate is not a sole product of the individual perception of the external environment, but it involves socialization among the members of the organization as the individuals try to make sense of their environment. Perhaps the simplest way to define the organizational climate that entails all those aspects is the one provided by Schneider (1990) according to whom the climate is “the shared perception of the way things are around here” (p. 22) This definition conveys the element of communication, individual perception and organization properties as the source of the climate, while yet indicating climate as a source of pressure that directs behaviour. In line with the previous definition, Moran and Volkwein (1992) defined the organizational climate in a following way: “organizational climate is a created response which an interacting group of individuals, who are informed and constrained by a common organizational culture, make to the demands and contingencies arising in the organization’s internal and external environments.” (p.10)

In line with the Moran and Volkwein (1992), Denison (1996) also perceives climate rooted in the values system of an organization, but being to great extent limited to those aspects of the social environment that are consciously perceived by its members. Thus, he suggested the climate to be subject to direct control, and by this being distinctive from organization culture.

The distinctive nature of climate is well stated by Zohar and Luria (2004), according to whom “organizational climate is a socially construed and shared representation of those aspects of organizational environment that inform role behavior, that is, the extent to which certain facets of role behavior are rewarded and supported in any organization” (p.322) Furthermore, Patterson et. al. (2005) review on the subject suggested that the dominating approach on the organization climate perceives it as the shared perception of the organization’s events, practices and procedures.

Despite of some of the variance on the concept, the different definitions all share something in common. In fact, after studying the climate literature, it has become evident to me that common to these definitions (with the exclusion of the earliest definitions), or as the cumulative case of these above-mentioned definitions the following four features seem to be fundamental for the concept of climate:

- 1) Individual’s conscious perception (internal aspect/aspect of psychology)
- 2) of organizational environment, (external aspect)
- 3) that through process of social cognitive evaluation, (sharing)
- 4) creates a response that directs behaviour (influences behaviour)

Moreover, this synthesis that I personally constructed, will serve as the “technical definition” of the climate for this paper.

2.3. Controversies surrounding the subject

While some of the criticism on the subject has been addressed, there are still elements regarding the concept that has been a source of confusion. Some of these elements are being addressed in the following section because it contributes to understanding of the subject in general, but especially with approach on climate that has been taken in this paper.

2.3.1 The difference between climate and culture

One of the sources of confusion regarding the organizational climate is the similarity with the concept of organization culture. The confusion is understandable even just by looking at the terms. However, it's not just the similar terms that confuse some people, but some of the unclear definitions of these terms. There are scholars that consider these concepts just to be different approaches to the same phenomenon (Denison, 1996), while others tend to treat them as separate entities yet closely connected to each other. (Schneider et. al., 2013) While, in the following there are three distinctions of climate and culture discussed, it must be stated that the concepts are closely connected. After all, they both discuss the individuals in relation to their organizations. (Patterson et. al., 2005)

Shared values vs. shared perception

According to Denison (1996) culture refers to organization's deep structure that has its roots in the shared values, beliefs and assumptions of its members. These values, beliefs and assumptions characterize the setting and are passed on the new members as they provide insight to how the organization has come to be what it is and guide the interaction within and without the organization. (Schneider et. al., 2013; Patterson et. al., 2005) On the other hand, climate is referred to as shared perception of the individuals as they try to make sense of their organizational environment. (Rentsch, 1990, Hoy, 1990) Climate is rooted in the aspects of organizational environment that are consciously perceived and experienced by its members. As Hunter et. al. (2007) state, "climate, unlike culture, is a localized phenomenon reflecting experienced, environmental press at either the individual or group level."(p.70) Nevertheless, there is connection between the two and climate can be seen as reflection of culture. (Moran & Fredericks, 1992, Schneider, 1990) Climate describes what happens to members of a group and is more behaviourally oriented, while culture provides explanation why these behavioural patterns exists (Scheider, 1990).

Stable culture vs. mutable climate

Following from the distinction between the two, climate is subject to influence and direct control and is more temporary and easier to change, whereas culture is rather stable and more difficult to change. For example, changes in managerial positions or people management practices can alter the climate of a work group quite quickly, while having very little or no immediate or short-term impact on the culture. (Moran et. al., 1992)

Qualitative culture vs. quantitative climate

Due to the differences between the concept, the methods used to study them have also varied. Typically, the climate studies have been conducted with quantitative questionnaires. In the questionnaires the respondents are asked to rate the extent non-evaluative statements describe their work-group or organization. The average of these responses serves as indicator for example of safety climate of an organization. ((James & Jones, 1974) On the other hand, the culture studies have traditionally been conducted by qualitative methods. (Rentsch, 1990) While, quantitative methods have been used more in the recent years (Schneider, et. al., 2012) the qualitative methods provide more wholesome and in-depth view of organization values and norms. Thus, culture studies have been mainly conducted through qualitative methods. (Cameron, 1988)

2.3.2 Global vs. strategic use of the concept

Another dilemma related to the nature of climate has been the too generic use of the concept. At times there has been as many as 11 dimension used in the climate studies in relation to organizational climate studies without a particular referent to something. (Pritchard & Karasick, 1973). Schneider (1975) presented criticism towards the global use of climate concept and not without reason. Many of the climate studies has been considered so general and all-encompassing that it has been very difficult to make any sense of the results, or determine to what does climate actually refer to. (Ashkanasy, 2000) In other, words if the climate

Moreover, many scholars such as (Zohar & Luria, 2004, Schneider, 2000. Schneider et. al., 2013) and have advocated the use of the climate concept as a particular referent to something, such as safety climate. The strategic use of the concept is a meaningful way to use to concept. (Neal et. al., 2000) Climate by definition is a shared perception of (work

environment) something. If this “something” becomes too vague or too comprehensive, then the point of reference that the study is unclear to whose perceptions are inquired. Moreover, these reported perceptions are likely to be even more vague, because the individual variance on perception of vague points of observation are likely to be magnified. (James et. al., 1984) On the other hand, if the climate is particular referent to something, such as motivational climate, the people are likely to yield answers particularly tied into the certain referent. (James & Jones, 1974, Schneider & Reichers, 1983)

Consequently, in this paper we hold to the view that the concept of climate is best understood and practically helpful, when it is discussed in relation to something. Otherwise the concept has a risk of becoming so all-inclusive that it is both, difficult for the respondents to know to what they are asked to evaluate, and for the assessors to interpret those results. Ultimately, the global use of the concept makes it hard to know what we are dealing with. On the other hand, if the climate is discussed in reference to all, it indeed seems to resemble very closely the organization culture construct.

2.3.3 Attribute of an individual or an organization?

One of the most debated topics regarding the climate has been to what does it exactly refer to. Is climate an attribute of the organization, or does it refer to the attributes of the individuals within the organization? (Guion, 1973) In other words, is the climate generated by the structures and policies set by the organization, or is it generated by the perceptions of the minds of individuals as they try to make sense of their environment? Although, this has been a source of debate in the 80s and 90s, the more recent understanding of the matter does not view climate simply as attributes of either the organization or the response of the individuals, but more as the “perceptual medium” through which the stimulus of the environment is passed on both the attitudes and behaviour of the individual (Denision, 1996,p.295) Thus, climate can be said to be functional by nature, because it both operates as a basis of interpretation and guide to certain action. (Schneider, 1998, p.295) Although this interpretative medium is located in the individual level, it is heavily influence by the process of socialization. The process of socialization is major contributor to the climate, because that aligns the individual perceptions/interpretation and causes them to become shared among the organizational members. Moreover, the climate generates as the individuals interact with one and another based on their perceptions of the conditions around them and

together create a response of their environment. (Moran, 1992, Neal, 2000, Patterson, 2004)

This more nuanced understanding of the nature of climate has to a great degree reconciled the ideas and definitions that has been perceived as somewhat contradictory. Although the definitions vary from simple to more complex ones, all of them share common features and remain faithful to the original understanding of the climate. 1) It directs behavior through influencing attitudes and actions 2) concerns group of people while located in the individual. 3) Is influence by the process of socialization, and thus can be influenced through the leadership behavior. 4) “some aspect of psychological traits constitutes the basis for climate.” (Moran and Volkwein, 1992, p.4)

2.4. TYPES OF CLIMATES

When discussing of the types of climates is good to address the two distinctive forms that it can refer to. Firstly, a climate can have particular referent, such as motivational climate, while it also has been used to encompass organizations in general (not recommended). Ashkanasy (2000) Approaching the climate as referent on something means that there are many different climates within an organization, such as safety climate, motivational climate and etc. (Zohar and Luria, 2004) Secondly, one of the first findings regarding the organization climate was that the different leadership styles resulted in different types of climate. This means that climates can differ in terms of their quality, in terms of kind of behaviours they promote. In otherwise similar environment, the differences in climate can have big difference how the members in the unit or organization operate.

In this paper the both aspects of the type of climate are being used. Firstly, the paper discusses the climate as a particular referent to the motivational climate. Motivational climate can be said to describe the motivational atmosphere of an organization that directs the activity toward certain goals by providing reasons why the particular behaviour is to be desired. (Ames, 1992) Nevertheless, the paper's main concern is not the motivational climate in general, but it also focuses on a specific type of motivational climate. The type of climate that this study is interested in is called mastery climate. The reason it has been chosen as the interest of this study is twofold. Firstly, mastery climate is a relatively new concept that has been associated with multidimensional benefits concerning the individual well-being and

organizational and individual performance. (Valentini & Rudisill, 2006, Cerne et. al., 2014) The second reason has to do with the lack of knowledge that surrounds the matter. Despite of the benefits that it has been associated with, relatively little is known of the factors that influence on the mastery climate.

In general, there are two main motivational climate constructs, performance climate and mastery climate. These climates differ from one another in terms of quality and in terms of the behavioural pattern, they foster. In the following section, the paper will discuss the motivational climate in general and then address the two most relevant types of motivational climates.

2.4.1. Motivational Climate

Motivational climate, or goal orientation perspective (Valentini & Rudisill, 2006) (achievement goal, Ames, 1992) (achievement motivation, Nicholls, 1984) has been a subject of great interest in the field of education during the recent years. (Valentini & Rudisill, 2006; Ames, 1992) The logic behind the motivational climate is that it explains how individuals approach, why they respond, and the reasoning process that guides them in achievement behaviour. (Valentini, 2006) In other words, motivational climate identifies the different purposes of “achievement behaviour” (Ames, 1992, p. 261) and provides a criterion on basis which the behaviour is considered either success, or failure. (Cerne, 2014) This theory assumes “the intentional view of behaviour” (Nicholls, 1984) according to which behaviour is a result of rational endeavour to achieve goals and incentives.

Lot of the motivational climate research has conducted in the field of education. In the work context the motivational climate has been used to refer to “employees’ shared perceptions of the extant criteria for success and failure emphasized through the policies, practices and procedures of their work environment”. (Cerne et al., 2014, p. 175) Individuals align their actions to align with the shared perceptions of the kinds of behaviour that is expected and rewarded in the organization. (Cerne, et al., 2014)

The research on the subject has mainly focused and addressed two contrasting motivational climates: performance and mastery climates. (Wolters, 2004) Different terminology has been used to refer to the particular climates, such as learning and performance goal orientation,

or, task and ego involvement. (Ames, 1992) Both of the constructs provide motivational pattern behind the achievement behaviour, but kinds of motivational patterns that some regard as the opposites to one another. (Morgan & Carpenter, 2002) Firstly, these climates are distinct in terms of how they perceive achievement and success. Secondly, they offer different reasons on how people approach and engage in achievement activity. Lastly, they differ in terms on how individuals think of themselves, their tasks and the outcome of their tasks. (Ames, 1992) In the following we will discuss the features of each construct and thus address the different motivational patterns each climate promotes.

2.4.2. Performance climate:

What is it?

Performance goal orientation has also been referred to as ego-driven motivation. (Butler, 1987) At the central of the performance climate lies the focus on the sense of self-worth and ability of an individual, which both are determined by the level of performance in relation to others. Thus, the sense of self-worth and ability, are gained and maintained by display of superior performance which is enhanced by public recognition. This kind of goal orientation necessitates standard criteria of success. Only then, a comparison between individuals is possible so that the best can be identified. (Butler, 1987)

Consequently, performance climate is characterized with constant comparison and competition. A certain ability or skills are not the end themselves, but means to an end, which is the sense and display of superiority to others. Thus, the development of individual abilities have only meaning if they are realized in better positioning relation to others. "High ability is to be above average, and low ability means to be below average." (Nicholls, 1984 p. 329) This is simply a logical consequence when one's self-worth is directly tied into one's perceived ability. (Ames, 1992)

In performance climate, success and ability are defined by being better than others. Being better than others is proven either by higher performance compared to others, or same level of performance with showing less effort. (Brunel, 1999) Either way, an individual with this goal orientation aims is to gain and maintain the display of superiority. To some extent the behaviour resembles the children's game king of the hill. The climbing the hill itself has

little or no relevancy itself, but only as a mean to show superiority in relation to others. (Butler, 1987)

Motivational pattern

The performance goal orientation produces a motivational pattern for the individual that affects how one views the tasks, task engagement, and self-worth. These three aspects are interconnected and are all addressed in the following due to their crucial role in directing behaviour.

Because the focus of performance climate is self-worth gained through outperforming others, or achieving success with less effort, the potential tasks are evaluated based on how probably they will result in “victory”. The tasks in which an individual thinks he is able to demonstrate superiority (the end goal), are preferred over the ones that are not so likely to result in success. On the other hand, tasks that are challenging, the ones that a person does not feel likely to win in are avoided, or even rejected for the sake of maintaining one’s self worth. (Xiang & Lee, 2002) (Valentini & Rudisill, 2006)

Secondly, the motivational pattern has its influence on the task engagement as well. As long as it seems that a person is succeeding in relation to others, the level of engagement is likely to be high. On the other hand, a person working on tasks that are not likely to result in success, is likely to give up or minimize the effort. Evidence has been found to support the claim that people with performance goal orientation are more likely to give up when the sense of success is perceived to be out of reach. Largely because failure has heavy bearing on the person’s perception of one’s self-worth, it often leads to inability to persist rather trying harder. (Valentini & Rudisill, 2006) (Ames, 1992)

Lastly, the choice of tasks and the tendency to minimize effort when faced with challenges are both done in protection for one’s self-worth. In performance goal orientation the self-esteem is based on being better than others. Thus, minimized level of effort serves as an excuse for the failure for not achieving success and it is the individual’s attempt to maintain some of his or her self-worth. Thus, both task choice and task commitment are consequence of the motivational frame in which the ultimate goal is the perceived of one’s self-worth based on the superiority. (Valentini & Rudisill, 2006)

The effects of motivational pattern

As already briefly discussed, the motivational pattern of performance climate results certain behaviours. It is essential, especially for the managers, to be aware of these consequences when they are thinking on the motivational climate they desire to establish in their work-groups. While performance climate can be suitable in environments that want to foster competition, it is good to be aware of the other behavioural patterns that desired motivational climate reinforces. (Xiang, Lee, 2002)

As already mentioned, this motivational pattern results in attempt to avoid and withdraw oneself from challenging tasks, as well as the superficial engagement in difficult tasks. (Valentini & Rudisill, 2006) Another one of the harmful effects of this kind motivational climate is that individuals have relatively big threshold for asking help and seeking assistance from others (Nicholls, 1984), because it contradicts with the goal of seeking social recognition by the display of superiority. The constant comparison and competition demand its share of the things, and performance climate has been reported with higher levels of work-related anxiety. Accompanied with anxiety, individuals in performance climate in general have more negative emotions than positive ones. (Cerne, 2014)

The extrinsic motivation and superiority orientation in the long-term results poorer performance, higher intentions to quick, and lower work persistence. (Cerne et al., 2014) This has to do with the fear of failure that is common in performance orientation, because a failure is taken as an offense against one's self-worth. Moreover, it is perceived as a lack of ability and thus it weighs heavily on the individual resulting in poor capacity to rebound after experiencing it. Instead of seeing them as an opportunity to improve, or chance to develop, they deteriorate the self-worth and cause negative expectation regarding the future performance. (Stipek & Kowalski, 1989; Ames, 1992)

2.4.3 Mastery climate

What is mastery climate?

The fundamental element how mastery climate differs from the performance climate is the end goal of achievement behaviour. Rather than being driven by the goal of being better than others, an individual with mastery goal is oriented to become as good as he or she possibly can in the task he or she is involved in. The goal of achievement is the mastery of tasks, skill development and greater understanding. (Elliot & Dweck, 1988) Moreover, the process of learning and self-improvement is the end itself, rather than means to an end. (Brunel, 1999) This goal orientation has major implications on how individual perceives effort and abilities, how they evaluate these qualities, as well as on the overall motivational pattern it produces. (Brunel, 1999)

Because the goal is not being better than others, but being as good as one possibly can, there is no need for external criteria of judgment, but criteria of judgment is self-referenced. (Ames, 1992) As a result, people are not focused on comparing and competing with others as much as their developing themselves even with the help of others. (Valentini & Rudisill, 2006) Thus, people in mastery climate are prone to seek assistance and help from others, as the main aim is one's own mastery. Thus, there is high regard to effort, development, and teamwork. (Cerne et al., 2014) Consequently, the self-efficacy of an individual is grounded in the conviction that effort leads to the development of oneself. In turn, the higher one perceives his or her self-development to be, the more competent they will feel of themselves. Thus, there is a link through effort – development – mastery. This itself does not require standard criteria, success nor comparison with others. (Ames, 1992)

If the performance climate was described as “the king of the hill” analogy, mastery climate could be referred to as “mountain climbing” analogy. Instead of competing against others and determining one's worth or performance in relation to others, mastery goal-oriented individual is competing with himself as he/she reaches out to the summit of mastering a task. While on the journey, he or she seeks for cooperation and assistance from others to achieve the goal. Consequently, some authors have gone to the extent, to name these motivational climates as the opposites of each other. (Morgan & Carpenter, 2002)

The motivational pattern of mastery climate

Mastery climate produces its distinct motivational pattern that affects on how individuals view tasks, exhibit task engagement and experience self-worth. In the following we will briefly address these three elements.

Stemming from the goal of one's own mastery an individual seeks to expand his or her skill repertoire, deepening understanding of the work and improving abilities. Thus, an individual is not just open to new and challenging task, but actively seeks them. (Valentini & Rudisill, 2006) Challenging tasks are not perceived as a threat, but an opportunity to for one's improvement on the way of developing mastery. Moreover, a person with mastery goal orientation is interested in finding opportunities where he or she can challenge themselves and to step out of the boundaries of his or her current skills. (Gano-Overway & Ewing, 2004)

Another interesting element of the motivational pattern is related to the persistence in face of challenge and difficulties. When engaged in challenging tasks one is not likely to give up or run from it, but shows persistence and commitment to overcome the obstacles by an effort. (Ames, 1992) This is largely due to because there is conviction that ultimately effort will lead to development which in turns will help to overcome challenging tasks. In addition, a mastery goal oriented person does not consider it threat to one's self-worth to ask help. Thus, cooperation with others and seeking assistance are resources for them to use to solve challenging tasks. Consequently, the mastery goal orientation motivates person in long term effort. (Cerne et al., 2014)

Finally, the sense of accomplishment and pride of one's own work is not dependent on others, but dependent on the amount of effort and self-development. Consequently, the performance of others is not criteria to evaluate one's own work, but the show of effort that is ultimately seen as self-development.

Effects of the Motivational Pattern

The research has suggested many and broad range of benefits that mastery climate results in the business context (Cerne et al., 2014) as well as on the educational context. (Nicholls, 1984) (Ames, 1992) In the previous section some of the benefits were discussed such as persistence in the face of difficult and challenging tasks, yet in the following these benefits

are addressed in more comprehensive manner. The positive outcomes of the motivational pattern are many and, in the following, the main driving factors of the successful outcomes are being discussed.

The first, and perhaps the most essential reason why mastery climate “produces”, is that it is attributed to the belief that success is achieved through effort. (Butler, 1987) The reason why this has a big difference is multifaceted. Firstly, mastery goal-oriented people have been reported to react to failure with increased quantity and quality of effort. (Valentini, 2006) Failure is mainly seen as the lack of effort, rather than lack of inherent ability to perform well. Secondly, the belief that effort will lead to success also results in persistence in the face of difficulties. Again, this underlying belief of the goal of behaviour has great deal to do how individuals adapt to situations that are challenging. An individual with mastery goal doesn't feel him or herself value as a person threatened when faced with obstacles but tend to them as challenges that can be overcome through hard effort while developing oneself towards the sense of mastery. Thirdly, the belief that effort leads to success in general is a great initiative to show effort in continuous basis. (Xiang & Lee, 2002)

The second contributor to the success that is closely connected to the first one is the quality of motivation that mastery climate fosters. Mastery climate has been associated with the intrinsic motivation, which has been connected to many beneficial behaviours, such as active and intense use of mental capacity. This stems from the fact that the work is not just means to an end, but end in itself. This type of motivation results in higher performance that is maintained at high level throughout. (Ames, 1992) Secondly, there is lower levels of work-related stress and anxiety reported in the mastery climate, while having the higher work satisfaction. In general, mastery climate has been associated with more positive work experience. (Valentini & Rudisill, 2006)

The third factor has to do with how individuals with mastery orientation perceive their colleagues and members of the organization. Cerne et al (2014) studied the relation of motivational climate to knowledge hiding and found evidence to support that mastery climate fosters knowledge sharing among the members of an organization that is likely to result in more creativity and better decisions. Because the other members in the organization are not perceived as competitors, there is tendency to share information and seek advices

from others. This is a significant contributor to the success in team-based organizations, whereas knowledge hiding has been identified having serious deteriorating effects on the performance. This again is directly linked to the goal orientation of the climate, which is to accomplish the sense of mastery (the summit of a mountain) and all the possible help available is welcomed and embraced. (Cerne et al., 2014)

2.5. Factors influencing mastery climate

The primary concern of the thesis is to examine the factors influencing mastery climate. The interest on these factors largely stems from lack of studies that specifically focus on the drivers of mastery climate. While, the attempt is to contribute to this body of knowledge, it is necessary to address what is already known to influence on mastery climate.

2.6.1. The criteria of success and failure

Mastery climate, as any motivational climate theory provides explanation for different purposes of achievement behavior. The previous studies have pointed a factor that influence mastery climate.

The criteria of success and failure is a driver that has been recognized to be associated with the mastery climate. More specifically, according to Cerne et. al. (2014) the self-referenced criteria of success and failure has been recognized the promote mastery goal orientation. In this particular criterion the performance of an individual is not assessed based on comparing to others but examining the individual's development based on his and her prior performance. When the determinant factor of an individual's performance is on one's self-development, an individual is motivated to take actions and display behavior that result in self-development. (Ames, 1992; Valentini & Rudisill, 2006)

As already established in this paper, climate has to do with the individual's conscious perception of organizational environment that through process of socialization generates a response that directs behavior. There are various reward policies and while it is debatable to what policies work and where, it is commonly accepted that reward policy sends strong signal of the behavior that is expected. (Hindle, 2008) Reward policy is part of individual's external environment that provide stimuli to a certain pattern of behavior. (Moran and Volkwein, 1992)

While, an individual performance can be referenced to him or herself, rewarding it is not a straightforward process. The environment can still elevate an individual development based on performance comparison others, and thus promoting the rank as an end goal rather than the development and mastery. To promote mastery climate, the policy must be such that it

provides initiative where the learning itself is perceived as end goal. (Xiang & Lee, 2002)

However, the focus of this study is not on what reward policies promote mastery, but on examining a leader behavior as a possible driver of mastery climate. More precisely, the thesis is interested whether servant leadership influence on mastery climate.

2.6 Theoretical framing

Thus far, the paper has addressed the concept of climate from three different levels, organizational-, motivational-, and two specific kinds of motivational climates. (mastery and performance climate). In addition, the benefits associated with the mastery climate were discussed. After reviewing the relevant literature, it is fitting to return to the original question that motivates this study: What factors influence mastery climate?

In order to answer to this question and clearly identify what is examined in this study, a theoretical framework was constructed. The framework presented below provides a simple exemplification of the concepts and relationships involved in the study. The framework itself is a result of comprehensive literature review of organization climate, that was approached from the three different angles mentioned above.

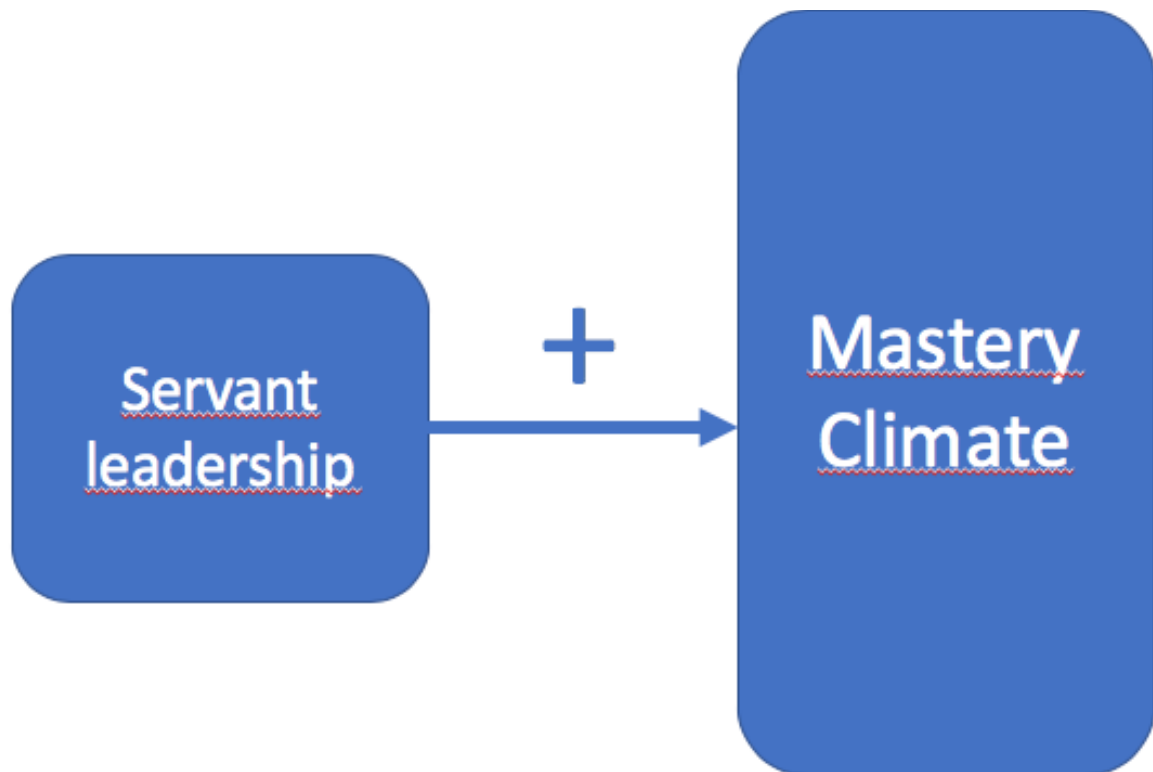


Figure 2: The main interest of the study to find out whether there is a positive association servant leadership and mastery climate.

Earlier in this thesis I presented my synthesis of the definitions of climate. This synthesis captures the four aspects that have been broadly agreed by the academics. (Patterson et. al. 2005, Zohar & Luria 2004, Moran & Volkwein, 1992, Schneider, 1990, Pritchard & Karasick, 1973, Forehand & Gilmer, 1964) This simplified definition helps us to better understand the mechanism of how the leader behaviors and people management practices are expected to influence on mastery climate. Given, that culture is connected to climate, and while culture is considered something that is relatively difficult to change (Schneider, 1990), matters with climate are different. (Denison, 1996, Schein, 2006)

The theoretical frame literature review provided strong indication that climate is influenced by the leader behavior (Lewin, Lippit & White, 1939; McGregor, 1960; Grojean et. al., 2004) Moreover, servant leadership has been identified to provide strong stimulus for group members to imitate the leader behavior (Graham, 1991, Liden et al., 2014). Thus, based on the literature studied this paper is focused to examine the possible influence of servant leadership on mastery climate.

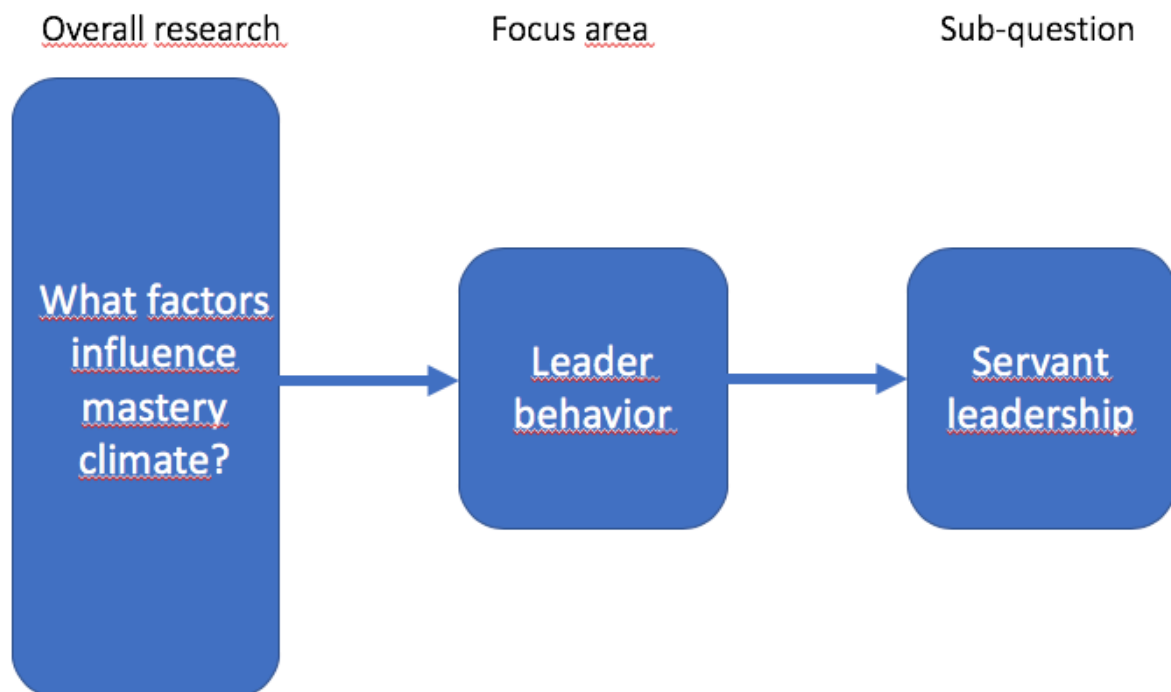


Figure 3: The overall interest of the study is to gain understanding what factors influence on mastery climate. The study was further narrowed to focus a particular leader behavior called servant leadership.

3. Hypothesis Development:

The thesis is concerned with the factors influencing mastery climate. The sub-question chosen in the study was generated based on the literature studied. Following from the literature on the subject this paper argues that servant leadership will influence on mastery climate. The hypothesis relies on the rationale and mechanism that is discussed in the following.

Firstly, the previous studies on the matter highlighted the role of leadership behavior in the development of a climate. (Salvaggio et. al., 2007, Schneider et. al., 2013) Secondly, and more particularly, the climate generated in a work group to the great extent, resembles the attributes of the leadership style. (Grojean et. al., 2004; Lewin, Lippit & White, 1939) Leadership behavior whether conscious or not, thus seems to send signal of behavior that are acceptable and expected. Following from the first two assumptions this paper suggests that leadership behaviors that share similarities with mastery climate are likely to contribute to the development of such climate. Here is the fourfold assumption in simple terms:

- 1) Leadership behavior influence on the perceived motivational climate.
- 2) The climate perceived resembles the behavioral pattern of leader behavior
- 3) Servant leadership as a behavioral pattern shares similarity with mastery climate. (value on development, supportive behavior and information exchange)
- 4) Servant leadership is likely to positively influence on mastery climate.

3.1. Servant leadership

The purpose of this section is to provide an overview of the concept of servant leadership. The section will discuss the relevance of the concept, origin of the concept and its definition, and well as the key characteristics.

3.1.1. The relevance of servant leadership

Why is servant leadership relevant? The answer to that question is threefold, and first has to do with the change, especially, of the western economies. The economies of western countries are in increasing manner based on knowledge and information, as “knowledge is recognized as the driver of productivity and economic growth. (Stevens 1996, p.6) As economies of these nations are experiencing a change, so are the organizations that compose the economies. One a concrete example is that the service sector accounts for 65.1% of the Gross Domestic Products across the nations of the world, (WorldBank, 2018) and the number is expected to rise.

The rise of knowledge-based economy requires new leadership styles in the organizational level. According to de Sousa and van Dierendonck (2010) “servant leadership is particularly suited for knowledge driven organizations” (p.234), and according to Want, Xu and Liu (2018) this leadership style perfectly with the service oriented nature of service organizations.” (p. 1180)

Secondly, the servant leadership has been identified as a powerful method in promoting the motivation. According to the Economist Intelligence Unit a motivation is the number one requirement of emerging leaders and performance of individuals.(Ted-talk, 2016) Servant leadership has also been associated higher performance. For example, customer satisfaction and profitability of service organizations has been positively associated with servant leadership (Wang, Xiu & Lie, 2018) and having a strong social impact. (Graham, 1991) In fact, the studies on servant leadership have shown that the behavior of the leaders operate as a stimulus for the followers to act in a like manner. (Liden et al., 2014).

Thirdly, the relevancy of servant leadership is enhanced by the fact that the attributes of servant leaders are something that can be developed. (Greenleaf, 1977) Thus, organizations

and people who desire to experience growth as individual and organizational level, ought to have interest on servant leadership.

3.1.2. The origin and definition

The concept of servant leadership was introduced in 1970 by Robert Greenleaf. (Van Dierendonck, 2011) While the idea of behind the concept lies far in the past, as many consider the biblical Jesus as the embodiment of servant leadership, it was Greenleaf who introduced the concept as a particular leader behavior. (Akuchie, 1993; Sendjaya & Sarros, 2002, Parris & Peacheley, 2012) According to Greenleaf (1977), “the servant-leader is servant first. It begins with the natural feeling that one wants to serve. Then conscious choice brings one to aspire to lead. The best test is: do those served grow as persons: do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants? And, what is the effect on the least privileged in society; will they benefit, or at least, not be further deprived?” (p.7)

While, Greenleaf did not provide all-comprehensive definition for the concept, he did provide governing foundation. (Van Dierendonck, 2011) The understanding of the core of Greenleaf’s idea of servant leadership is essential, as the other academicians have built on the foundation that Greenleaf established.

In the foundation Greenleaf established, (1970) we can distinguish three different elements. Firstly, the servant leader is driven by the motif to serve others, and not by a desire for power and control. The welfare and benefits of others are prior to those of the leader. Secondly, a servant leader consciously decides to act to see others helped and developed. This choice serves as the aspiration to lead. Thirdly, the true sign of a servant leader is not so much visible in the leader itself, but on the impact he or she has on subordinates and society at large. Are the subordinates growing and developing, are they becoming healthier and more wholesome and do they display signs of servanthood to others? Is the less fortunate of the society being benefited or at least not harmed?

At the very core of servant leadership is deep other orientation that surpasses one’s self-interest. The intent of servant leadership is placing the needs of others over one’s own. (Spears, 2004)

This is the crucial differentiating factor between servant leadership and other leader behaviors. While, other leader behaviors also emphasize the well-fare of the followers, the fundamental differentiating factor between servant leadership and other leader behaviors is that the well-fare of the sub-ordinates is not just means to an end, but the end itself. (Ehrhart 2004; Spears, 2004; Barbuto & Wheeler, 2006) According to Hale and Fields (2007) servant leadership is characterized by

“understanding and practice of leadership that places good of those led over the self-interest of the leader, emphasizing leader behaviors that focus on follower development, and de-emphasizing glorification of the leader” (p.397)

A servant leader is one who is not motivated by hunger for power and control, but helping others inside and outside the organization, and creating opportunities for others to grow and develop in manner that is socially responsible (Barbuto & Wheeler, 2006; Ehrhart 2004)

3.1.3. Characteristics of a servant leader

Building on the foundation of Greenleaf, Spears (1995) identified 10 characteristics of servant leadership. These interconnected characteristics have been widely recognized as the fundamental elements of servant leader. (Dirk Van Dierendonck, 2011) While attempts have been made to provide more concise list of the characteristics of servant leadership, such as six characteristics of Van Dierendonck (2011), or six clusters of Laub (1999), these attempts seem inadequately to leave out characteristics that are essential to Greenleaf's foundation on the subject. Consequently, in the following is the ten characteristics of servant leadership identified by Spears (2010) with brief explanation of what is meant:

Listening	while communication is essential skill, a servant leader also makes effort to listen the subordinates. Only then one can identify needs but also clarify the desirable outcome.
Empathy	to accept, recognize and value people regardless of differences.
Healing	interacting with people in a manner that enables them to become more whole as a person and feeling more secure
Awareness	both general- and self-awareness enables leader in matters that involve ethics, values and power. It also serves as awakener to action source of right disturbance that calls for actions.
Persuasion	rather the forcing consensus among the sub-ordinates, a servant leader convinces others through rational dialogue and open argumentation.
Conceptualization	instead of getting caught up in the day-to-day operations, a servant leader has the ability to see beyond them and pursue the great vision ahead. Nevertheless, he or she does not despise the daily operations, but performs them with the vision in mind.
Foresight	is an ability to draw lessons from the past, recognize the current realities and see the likely outcome of the decisions for the future
Stewardship	holding oneself and people within the organization in trust for the greater good of society putting emphasis on transparency and openness.
Commitment to the growth of people	Stemming from the view that regard people intrinsically valuable beyond their contributions, a servant leader perceives him- or herself responsible for nurturing growth both in personal and professional level.
Building community	servant leader recognizes the strength of the sense of community and takes effort to build community by showing unlimited liability for his or her subordinates.

Table 1: Characteristics of a servant leader

Henceforth, the servant leadership is marked by profound other orientation in which the goal of leader is to help others to succeed. In the practical level, this means that that servant leadership has great emphasis on the development and empowerment of followers to grow as people and professionals alike. (Spears 2010; Peterson, 2012) The whole approach to leadership is contrary to the traditional top down approach, because the primary function of leaders is to function as servants to the followers. (Graham, 1991) This commitment to support and train others leaves very little, or none room for ego-centrism, but is marked by a genuine interest to see others excelling. Thus, servant leaders lead “through role modeling and provide followers with opportunities to observe and imitate their values attitudes and behaviors.” (Wang, Xu, Liu, 2018) According to Greenleaf (1977) servant leaders reproduces this pattern of behavior in others.

4. Data and methods

In order to answer whether servant leadership is positively associated with the mastery climate, I conducted a quantitative study. In fact, the climate studies have traditionally been conducted with the quantitative questionnaires. (Ashkanasy, 2000) In the questionnaires the respondents were asked to rate the extent non-evaluative statements describe their work-group or organization. The average of these responses serves as indicator of the climate under study. (James & Jones, 1974) (Schneider, 1990)

In the following I will discuss of the source of the data, how I compiled it, and how it was analyzed.

4.1. Data gathering and its contextualization

The data used in the construction of this paper was collected as a part of larger research project between Aalto University, Hanken School of Economics, and University of Vaasa. The project was financed by the academy of Finland and conducted by a team of academics from the three universities. The focus of the project was on examining the agency and actions of human resource professionals of Finnish retail company. The company in question forms a large network of different companies, which consist of 20 independent cooperatives that have over 1600 outlets in Finland. These outlets mainly operate in the retail and service sectors. Out of the 20 cooperatives 19 were involved in the research project.

My role in the project was a role of a research assistant and my main responsibility was to conduct the data gathering. This included compiling the addresses of all the respondents, constructing the questionnaire in webropol-format, assistance and follow-up to the respondents when necessary, and compiling the results in the format that could be further analyzed.

4.1.1. The levels of management involved

The sample consisted of 19 out of 20 independent regional chains located in Finland. In each of the participating cooperative, the study involved their supermarket trade, speciality store trade.

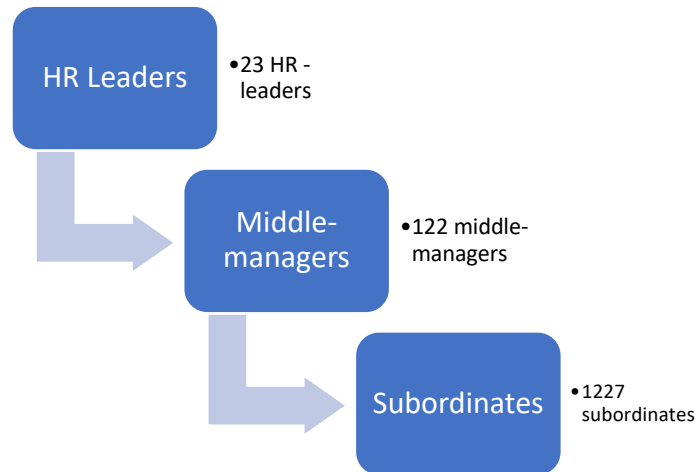


Figure 4: The research project was concerned with three levels of the organization. The main concern of my thesis was on the data gathered from the subordinates.

The project focused on the three different levels of the organization, (as seen in the table above) HR leaders, middle managers, and subordinates who work in the position of store- and department supervisors. Nevertheless, out of the rich data set, I was mainly interested in the results concerning to questionnaire to the subordinates, with the exception that the control variables were gathered from the questionnaire to the middle managers.

4.1.2. The sample size

Conducting the research in cooperation with such a large operator provided significant benefits. Firstly, it provided a large enough sample size of to conduct a meaningful study. The study involved 19 independent cooperatives that each employ people ranging from 300 to 6000. The average amount of full-time employees per cooperative was 1670.

N = 19	Category	Number of units	Percentage
Group Size	Number of employees		
	≤500	3	16 %
	500<x≤1000	2	11 %
	1000<x≤1500	5	26 %
	1500<x≤2000	4	21 %
	2000<x≤2500	2	11 %
	2500<x≤3000	2	11 %
	6000	1	5 %

Table 2: The cooperative sizes in terms of full-time employees

4.1.2. The middle managers

While the independent cooperatives employ about 32 000 people, the data set under study consisted of 122 middle managers and 937 subordinates. The response rate of the questionnaires of the middle managers was 83.89% (125/149). The chart below provides the gender distribution of middle managers and the number of people under their direct supervision.

N = 122	Category	Number of units	Percentage
Gender	female	38	31 %
	male	84	69 %
Group Size	Number of subordinates		
	1-4	47	38,5 %
	5-9	48	39,3 %
	10-14	20	16,4 %
	15-19	6	4,9 %
	20-23	1	0,8 %

Table 3: Descriptive Statistics of middle managers:

4.1.3. Subordinates

As mentioned, this thesis was mainly interested in the data gathered among the subordinates. Out of the 1227 subordinates who received the questionnaire, the total amount of respondents was 933. Again, the response rate was high, 76.04 %, and was achieved because of the close cooperation with the company.

4.2. Data collection

As mentioned, the data was collected from the three different levels of the organization, and in four different phases, because the follower level questionnaire design included a follow-up questionnaire. However, the data I used in the thesis mainly consists of two questionnaires. Firstly, the control variables (gender and tenure of manager, HR-ID) were acquired from the questionnaire to the middle managers in the Spring and Summer of 2016. Secondly, I used the subordinate time-1 questionnaire to acquire the data for independent and dependent variables. This set of data was collected during the Summer of 2016. Thus the data used in the thesis comprises of two different data sets, and is illustrated by the table below.

Data set	Sample Group	Questionnaire responses	Out of middle managers	Response Rate	Collection method	Collection Completed
1	Middle Managers	122	144	86,8%	Web-based questionnaire	Spring/Summer 2016
Data set	Sample Group	Questionnaire responses	Out of subordinate	Response Rate	Collection method	Collection Completed
2	Subordinates	734	939	78,2%	Web-based questionnaire	Summer 2016

Table 4: The empirical data sets used in the study

4.2.1. The data collection process

The data collection process consisted of four main phases. While, my attempt is to describe the process in chronological order, it is obvious that some of the phases, especially phase 1 and 2, had some overlap.



Figure 5: The data collection process consisted of four main phases.

The first step in the data collection process was to compile the information of all the personnel of the Finnish retail chain. Because the research was part of the comprehensive study conducted in cooperation with the retail chain, their administrative personnel provided me the list of their HR manager, middle managers and subordinates with their email addresses. After receiving the information, I once more went through the list of names with the HR-leader of each cooperative to update the possible recent changes. Furthermore, once the lists were updated, I formed comprehensive lists under three different categories: HR-managers, middle managers and subordinates.

Prior to this the research group had already started to formation of the questionnaires. This process continued throughout the project as each of the four questionnaires was constructed one at time. I was present in the meetings where the formation of the questionnaires took place. The final questionnaires were based on comprehensive study of literature and were developed through multiple rounds of discussions in the research team. In these discussions, the questions and their respective literature were assessed and debated until the satisfactory outcomes were achieved. All of the constructs used in the research had been previously validated and used in other studies. Because the original constructs were in English and the study was conducted in Finnish, the questionnaires were translated and back-translated by two outside parties.

The third step in the questionnaire design was to transfer them into the webropol format (web-based survey tool) and tailor the questionnaire of each work group. The tailoring was done by including the name of the middle manager and the cooperative in question. This was

done in order to verify that the items in which subordinates were asked to evaluate their middle managers and work were associated with the correct ones. After, the webropol format was completed, the understandability and the response time of the questionnaires were tested among Aalto-University employees in similar positions. Only few items needed further clarification, while the average responding time was well within the limits of high attention span (about 15 minutes).

After, structuring the questionnaires in Webropol, each of the respondents received a personal link to their emails that directed them to the online questionnaire. With the link, they also received the necessary instructions, which were also repeated in the beginning of the questionnaire. After the questionnaires were sent, I was in contact with few respondents that needed more instructions, and sent reminders to the people who didn't respond to the questionnaire immediately.

4.2.2. The questionnaire design

The data was gathered through two different questionnaires of which one focused on middle managers and the other on subordinates. The subordinate questionnaire included the items of mastery climate and servant leadership. The questionnaire to the middle managers were used to gain the information regarding the control variables. As already mentioned, each questionnaire was tailored to match the specifics of their respective groups and regions, and stated the manager's name they were asked to evaluate.

Because the original constructs were in English and the study was conducted in Finnish, the questionnaires were translated and back-translated by two outside parties. After this, the response time and the understandability of the questionnaires were tested among Aalto-University employees in similar positions. Only few items needed further clarification, while the average responding time was well within the limits of high attention span (about 15 minutes).

Lastly, I created a webropol version of the questionnaires. Webropol is a web-based survey tool that enables one to create and conduct tailored questionnaires. I inserted the questions to webropol and structured them in clear format.

4.3. Operationalization

The following section focuses in discussing the variables of the research, the rationale behind them and constructs chosen to measure these variables.

4.3.1. Mastery climate

Mastery climate was chosen as the dependent variable of the research, as the aim of the study was more complete understanding of what factors drive the development of mastery climate. The study was interested in the motivational climate of the work group. The work-group formed the unit of analysis, while the data was collected at the individual level. Thus, the data was aggregated from the individual level to the group level. The measure included the four items below, and we used the measure validated by Nerstad, Roberts, and Richardsen (2013) and Cerne, Nerstad, Dysvik, and Skerlavaj (2014). In the questionnaire the subordinates were asked to rate the extent to which their manager:

- (1) emphasizes the personal development and learning of each subordinate.
- (2) encourages to cooperate and share information among the subordinates.
- (3) encourages the subordinates to try new solution in their workplaces.
- (4) aims to make each subordinate feel that he or she has important role in the organization.

The questions were rated on a 7-point Likert scale ranging from 1 = strongly disagree to 7 = strongly agree. The Cronbach's α for the items was 0,851, which is well above the generally accepted level of 0,70.

4.3.2. Servant Leadership.

Based on the theoretical review, the paper suggested a servant leadership to be one of the drivers of mastery climate. Consequently, it was chosen as one of the independent variables. The chosen construct consisted of 14 different items (Ehrhart, 2004). These items included the extent a manager spends with followers in forming community and strong relationships, puts effort in their development and considering their needs, listens their ideas and displays morality in his or her behavior. Respondents were asked to rate the items on 7-point Likert

scale ranging from 1=strongly disagree to 7=strongly agree. The Cronbach's α for the given items was 0,947.

4.3.3. Control Variables:

Three control variables that were considered on affecting on mastery climate were kept constant during the analysis in order to examine the relationship between dependent variable and independent variables.

Gender

Firstly, gender has been associated with different approaches and emphasis on leadership behaviors. (Appelbaum, et al., 2003) For example, studies have shown women to have advantage over men in empathy and communication skills. Merchant (2012) adds that women leaders are more prone to form relationship, and being more people oriented in their dealings with others. Due to these differences between male and female leaders, it was necessary to control the effects of gender in the study. The elimination of the gender effects enabled the general linear analysis more accurately depict the relationship between the dependent and independent variables.

Middle manager Experience

The second variable of which influence was necessary to control in the study was the leadership experience of the middle managers. The more time experienced in the position is likely to yield advantages over those managers who have recently started in the position. Greater length of time helps in forming relationships with sub-ordinates and gain insight how operate in the position. To proper knowledge of the processes and forming relationships take time to evolve. (Shamir, 2011) (Shamir, 2011) Consequently, this variable was controlled in the general linear model. Tenure of the managers in leadership position was an item in the middle managers questionnaire.

HR ID

Lastly, it seemed necessary to control the effects of the HR leaders of different cooperatives. The data set comprised of 19 independent cooperatives that each have their own HR manager. It is logical to assume that there can exist some variance among the HR managers. Thus, the capabilities and practices among the middle managers in the cooperatives can be

partially result of the variance on HR managers. Consequently, to eliminate the effects of HR manager differences, the HR ID was chosen as categorical variable in the general linear model analysis.

5. Analysis and Results

Given the fact that the data was aggregated from individual level to the group level, I tested the hypothesis of the study by the means of multilevel analysis with general linear regression modeling. (SPSS). The univariate procedure of general linear model enabled me to run regression analysis between the dependent and the independent variable. This method made it possible to study the effects of independent variable on the dependent variable, while controlling those variables of which effects were purposely to be eliminated from the regression.

As already mentioned, the hypothesis of the study was tested by using the general linear regression model. The model allowed testing the independent variable in relation to the dependent variable, while controlling the exogenous differences through control variables. Control variables included one dichotomous variable (gender), one categorical variable (HR ID) and one ordinal variable (manager tenure). The correlations matrix of these variables, as well as the descriptive statistics of the variables are reported in the table below.

Table 5. Means, standard deviations and Pearson Correlations

Variables	1	2	3	4	5
Mean	5,1	5,03	1,69	17,71	110,43
SD	0,75	0,72	0,47	7,563	6,496
1.Mastery Climate					
2. Servant Leadership	0,744**				
3. Gender of MM	(0,061)	(0,161)			
4. Tenure of MM	(0,203)*	0,001	0,320**		
5. HR ID	(0,217)*	(0,084)	0,129	(0,028)	

All two tailed tests: * $p < 0,05$; ** $p < 0,01$. Numbers in () are negative

The correlation between mastery climate and servant leadership was highly significant with the respective values of 0,744 and 0,716. These results provided initial support for the hypothesis of the paper. The results also indicated relatively strong correlation between the independent variables.

The table 3 reveals the results of the general linear model. In order to distinguish the effects of the control and independent variable, a baseline model that only included the control variables was first run in the regression. Next, the independent variable was added into the model to assess the results of the full model.

Hypothesis 1 predicted that servant leadership is positively associated with the mastery climate of a work group. The results of study provided strong support of this. The servant leadership association with the mastery climate was at significant level. ($\beta=0,48$, $p=,000$). The findings concerning the hypothesis will be addressed in detail in the following section.

Table 6 General Lineal Models	MASTERY CLIMATE			
	Controls Only	Significance	Full Model	Significance
HR (ID)		0,164 [^]		0,140 [^]
Gender (L2B)	(0,079)	0,643	(0,051)	0,603
Middle manager experience (L2H)	(0,023)	0,025	(0,011)	0,055
Servant Leadership			0,48	0,000**
R2/Adjusted R2	0,242/0,054		0,757/0,691	
F	1,291		11,397**	
N	121		121	

[^] lowest p-value

Numbers in () are negative

6. Discussion and Conclusions

6.1. Summary

The aim of this graduate thesis was to identify leadership behaviors that contribute to the development of a mastery climate in a workgroup. More precisely the paper focused to establish whether leader behavior, a servant leadership, is positively associated with the mastery climate. Based on the thorough study of literature, covering the topic from its genesis to the present, the paper hypothesized that servant leadership would be positively associated with the mastery climate. This association was built on the idea that different leadership behaviors result in different climates (Schneider, 1990), and that the climate generated is likely to resemble the particular behavior of the leaders (Lewin, Lippit & White, 1939).

The results of the study confirmed the prediction of this paper. Firstly, the study results indicated that servant leadership is associated with the mastery climate. While, the study did not cover how the impact is conveyed, the results were consistent with the earliest theoretical findings of how the leadership style is likely to determine the type of climate generated. Also, the results seemed to align Graham's claim (1991) that servant leadership is characterized by relatively strong stimulus for others to behave in a similar manner. Regardless of the influence mechanism, a servant leader influence the climate towards the mastery orientation.

In overall, these results support the notion that leadership behavior have an impact on the development of the motivational climate in a work group. Consequently, leaders and their behavior is one of the crucial components in the climate development. Secondly, the results pointed out a particular leadership behavior that is positively associated with mastery climate. The servant leadership was associated to the mastery climate with very high level of significance.

6.2. Theoretical and practical implications

The theoretical contribution of this research has to do with the two drivers of climate. While, the multidimensional benefits of mastery climate have been recognized in the past (Cerne et

al., 2014) (Nicholls, 1984) (Ames, 1992) there has been a gap in knowledge of what leadership behaviors function as drivers for mastery climate. Firstly, the paper stands in align with the previous papers in stating that leadership behaviors have influence on the climate generated. Secondly, and most importantly this study brings new theoretical insight in providing information of a particular leadership behavior and a particular people management practice that are positively associated with mastery climate. This study shows that that servant leadership is positively associated with the mastery climate. This knowledge is potentially important to the management literature interested in climate and motivational studies.

The practical implications of the study are relevant to organizations, HR leaders and work group leaders who are interested in benefits associated with mastery climate. Due to the lack of study in the area there has not been clear recommendations of what organizations and leaders can do to foster a mastery climate in their work groups. In that regard, this paper provides a very concrete suggestion, namely that servant leadership is a driver that has strong positive association to mastery climate. While these are the direct practical implications of the study, the results can also be relevant to managers who are trying to establish mastery climate related attributes in the work groups, such as higher motivation and deeper commitment.

6.3. Limitations and suggestions for future research

Limitations of the study must be kept in mind when considering the results and the implications of this research. Firstly, the results indicated too strong association between the independent variables and dependent variable. Thus, it is likely that multicollinearity has had effects on the results. Coefficient of determination most probably has been inflated.

Secondly, the climate concept is a sum of many factors and this paper only focused to study the relation of one leadership behavior to mastery climate. Due to the complex nature of climate the present study potentially has overlooked some other factors that could explain the relations between the leadership behavior sand mastery climate. For example, good managers are likely to possess many skills that contribute to the perception of mastery climate by the subordinates. As a result, there can be other leadership features that contribute to this perception, but were not recognized in this study. Thirdly, it is good to keep in mind

the industry and business context in which the study was conducted. The sample consisted only of one company that operates in retail and service sector. Thus, the results found in this paper might not be consistent in other industries. Fourthly, one should keep in mind how certain behaviors can be interpreted in different ways depending on one's cultural context. Finland is a country with low power distance compared to many other countries. (clearlycultural.com, n.d.) The results are likely to differ in the context of high power distance, because the perception of these leadership behaviors vary across different countries. Fourthly, the respondents being aware of the fact that study concerned the company at whole, might have exercised bias in their evaluations in order to convey more positive image of their own cooperatives.

Due to the fact there are no research devoted on studying the subject, it would seem relevant to replicate the study in different context. Confirming studies in the subject could ensure or challenge the findings presented in this paper and provide further direction where the research should focus. Given that this paper provided evidence for the positive association between servant leadership and mastery climate, it would be interesting to know the mechanism that explains these findings.

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